



# SUGAR LAND 4B CORPORATION

## AGENDA REQUEST

AGENDA OF:	10-16-13	AGENDA REQUEST NO:	III-A
INITIATED BY:	MARA SOLOWAY ECONOMIC DEVELOPMENT COORDINATOR	RESPONSIBLE DEPARTMENT:	ECONOMIC DEVELOPMENT
PRESENTED BY:	REGINA MORALES, DIRECTOR OF ECONOMIC DEVELOPMENT	DIRECTOR:	REGINA MORALES <i>RM</i>
		ADDITIONAL DIRECTOR (S):	N/A
SUBJECT / PROCEEDING:	ELECTION OF OFFICERS FOR SUGAR LAND 4B CORPORATION INCLUDING PRESIDENT & VICE-PRESIDENT		
EXHIBITS:	SUGAR LAND 4B CORPORATION BYLAWS		
CLEARANCES		APPROVAL	
LEGAL:	N/A	DIRECTOR:	REGINA MORALES, <i>RM</i> DIRECTOR OF ECONOMIC DEVELOPMENT
PURCHASING:	N/A	EXECUTIVE DIRECTOR:	N/A
BUDGET:	N/A	ASSISTANT CITY MANAGER:	N/A
BUDGET			
EXPENDITURE REQUIRED: \$		N/A	
CURRENT BUDGET: \$		N/A	
ADDITIONAL FUNDING: \$		N/A	
RECOMMENDED ACTION			
Elect Officers: President and Vice President.			

## EXECUTIVE SUMMARY

According to the Corporation's bylaws, each year, the Board will elect a president and vice-president for the Corporation for a one-year term. Each officer holds the office until a successor is elected.

Pursuant to the provisions of the Sugar Land 4B Corporation Bylaws, Article III Officers, Sections 3.01, 3.02 and 3.03, the officers of the Corporation include the President, Vice-President, Secretary and Treasurer. The following is a description of the officer positions which will be elected annually:

**President.** The president presides at all Board meetings and performs any other duties required by these bylaws or the Board. The president may appoint directors and other persons to serve on standing or ad hoc committees to make recommendations to the Board.

**Vice-President.** The vice-president performs the duties of the president if the president is absent or is unable or refuses to act, and any other duties as assigned by the Board.

**Secretary.** The City's city secretary serves as the Corporation's secretary. The secretary is the custodian of the Corporation's records and keeps all votes and minutes of Board meetings. The secretary will give notice of all Board meetings and performs other duties as directed by the president, the general manager, or as required by these bylaws. The secretary may designate another City employee to perform the duties of the secretary from time-to-time.

**Treasurer.** The City's city manager will designate a city employee to serve as the Corporation's treasurer. The treasurer will perform the duties specified in these bylaws. The treasurer may designate another City employee to perform the duties of the treasurer from time-to-time.

The Presidency has been vacant since September 2013, when Donald L. Smithers stepped down, after having held the position since August 17, 2011. Cynthia Knox has held the Vice-President position since August 17, 2011.

## EXHIBITS

**RESOLUTION NO. 10-39**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS,  
APPROVING AMENDMENTS TO THE BYLAWS OF THE SUGAR LAND 4B CORPORATION.**

WHEREAS, the bylaws of the Sugar Land 4B Corporation (SL4B) were originally adopted in 1993;  
and

WHEREAS, City staff has completed a comprehensive review of the SL4B's bylaws and is  
recommending amendments be made to reflect current corporate practices and procedures, improve  
administration, and delete unnecessary provisions; and

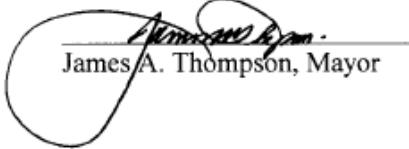
WHEREAS, the current bylaws requires that the City Council first approve any amendments to the  
bylaws; NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL  
OF THE CITY OF SUGAR LAND, TEXAS:**

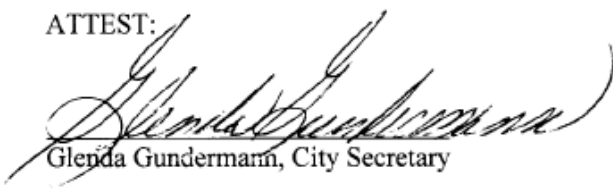
**Section 1.** That it approves the attached Corporate Bylaws of the Sugar Land 4B Corporation as  
Amended and Restated.

**Section 2.** The amended bylaws are effective on the latest date of the dates approved by the SLDC  
Board of Directors and the City of Sugar Land City Council, as evidenced by this Resolution and the  
Resolution of the City of Sugar Land City Council.

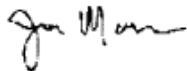
APPROVED on July 20, 2010.

  
James A. Thompson, Mayor

ATTEST:

  
Glenda Gundermann, City Secretary

Reviewed for Legal Compliance:



Attachment: Corporate Bylaws of the Sugar Land 4B Corporation as Amended and Restated

**CORPORATE BYLAWS**  
**OF THE SUGAR LAND 4B CORPORATION**  
**AS AMENDED AND RESTATED**

(Effective *July 20, 2010*)

These bylaws govern the affairs of the Sugar Land 4B Corporation, a public instrumentality and a non-profit corporation created under the Development Corporation Act (Local Government Code, Chapter 501 et. seq.).

**ARTICLE I. GENERAL PROVISIONS**

**1.01. Purpose.** The purpose of the Corporation is to promote, assist, and enhance economic development activities for the benefit of the City.

**1.02. Definitions.** In these bylaws:

*Act* means the Development Corporation Act (Local Gov't. Code, Chapter 501 et. seq.).

*Board* means the Board of Directors of the Corporation.

*City* means the City of Sugar Land, Texas.

*City Council* means the City's City Council.

*Corporation* means the Sugar Land 4B Corporation.

*Project* means a project, as that term is defined by the Act, that the Corporation is authorized to undertake under the Act.

**1.03. Approval of Bylaws.** These bylaws and amendments to these bylaws are not effective until approved by the City Council.

**ARTICLE II. BOARD OF DIRECTORS**

**2.01. Powers.** The Board may exercise all powers authorized by the Act, the Corporation's articles of incorporation, and these bylaws. The Board will comply with all City Council directive and policies, the Act, the Corporation's articles of incorporation, and these bylaws.

**2.02. Duties.** The Board will perform the following duties and responsibilities:

- (1) Fund economic development projects and activities;
- (2) Make reports to the City Council on its activities as requested by the City Council; and
- (3) Perform other duties and responsibilities as directed by the City Council.

**2.03. Number and Qualifications.** The Board consists of seven persons who are appointed by and serve at the pleasure of the City Council. Each director must be a resident of the City throughout the director's term. Any vacancy in the Board will be filled by appointment by the City Council.

**2.04. Term.** Directors serve two year terms or until their successors are appointed. A director may not serve more than three consecutive two-year terms.

**2.05. Ex-Officio Members.** Council members who do not serve on the Board are ex-officio members of the Board and may participate in discussions at Board meetings, but may not vote.

### **ARTICLE III. OFFICERS**

**3.01. Election of Officers.** Each year the Board will elect a president and vice-president for a one-year term. Each officer holds the office until a successor is elected.

**3.02. President.** The president presides at all Board meetings and performs any other duties required by these bylaws, the Board, or the City Council. The president may appoint directors and other persons to serve on standing or ad hoc committees to make recommendations to the Board.

**3.03. Vice-President.** The vice-president performs the duties of the president if the president is absent or is unable or refuses to act, and any other duties as assigned by the Board.

**3.04. Secretary.** The City's city secretary serves as the Corporation's secretary. The secretary is the custodian of the Corporation's records and keeps all votes and minutes of Board meetings. The secretary will give notice of all Board meetings and performs other duties as directed by the president, the general manager, or as required by these bylaws. The secretary may designate another City employee to perform the duties of the secretary from time-to-time.

**3.05. Treasurer.** The City's city manager will designate a city employee to serve as the Corporation's treasurer. The treasurer will perform the duties specified in these bylaws. The treasurer may designate another City employee to perform the duties of the treasurer from time-to-time.

**3.06. General Manager.**

(a) The City's city manager serves as general manager and chief administrative officer of the Corporation. The general manager is responsible for the day-to-day operations of the Corporation and performs any other responsibilities or duties assigned by the Board. The general manager may participate in any discussions of the Board, but may not vote. An assistant city manager may perform the duties of the general manager if as assigned by the city manager or if the city manager is absent or unable to perform the duties of the general manager.

(b) Except as otherwise provided by law or these bylaws, the general manager has the same powers and authority to act on behalf of the Corporation in matters relating to the Corporation as the city manager has in matters relating to the City, including the following:

(1) To sign a contract, funding resolution, or any other document approved by the Board;

(2) To sign a contract, funding resolution, or any other document providing for the expenditure of corporate funds that have been approved in the budget, without Board approval, in an amount that the

city manager would be authorized to approve for the City without city council approval; and

(3) To sign checks, orders, and drafts for the payment of corporate obligations incurred under any contract, funding resolution, or documents approved in compliance with these Bylaws.

#### **ARTICLE IV. MEETINGS**

**4.01. Calling Meetings.** Board meetings may be called at the request of the City's mayor, the general manager, the president or vice-president, or upon the written request of at least three directors. All Board meetings and deliberations will comply with the Texas Open Meeting Act. All meetings will be held within the City's corporate limits.

**4.02. Quorum and Action.** Four directors are a quorum for the transaction of business. The Board may act by the vote of a majority vote of the directors present and voting at a meeting.

**4.03. Procedures.** The Board may adopt procedures for the conduct of its meetings or may generally follow the procedures adopted by city council for the conduct of its meetings.

#### **ARTICLE V. ADMINISTRATION AND FUNDING OF PROJECTS AND ACTIVITIES**

**5.01. Applicable Procedures.** . The City and the Corporation will follow the procedures contained in this article in administering and funding Corporate Projects and activities authorized under the Act, unless these bylaws provide otherwise.

##### **5.02. Funding of Projects and Activities.**

(a) The City may request the Corporation fund a Project or activity that the Corporation is authorized to fund by making a written request to the Board that contains a description of the Project or activity, its estimated cost, the proposed schedule for implementation, and any other information requested by the Board.

(b) To comply with State law, the Corporation will hold at least one public hearing on a Project before approving expenditures for the Project. The Corporation is not required to publish notice of the hearing, but the hearing must be included on the agenda of the meeting at which the hearing will be held. A hearing is not required for the Corporation to approve expenditures for general promotional purposes not related to a Project.

(c) To comply with State law, the Corporation will publish notice of a proposed Project or proposed type of Project at least 60 days before the Corporation approves funding for the Project or type of Project. If the City Council does not receive a written petition within 60 days following the date of the published notice from more than ten percent of the City's registered voters requesting an election on the specific Project or type of Project for which notice was published, the Corporation may approve funding for the Project or type of Project for which the notice was published.

(d) If the Board agrees to approve the City's request to fund a Project or activity for which the Board has appropriated funds for that purpose, the Board will adopt a Funding Resolution that authorizes the City to pay the costs of the Project or activity from the Corporation's funds.

**5.03. City Administration Projects and Activities.** The City will be solely responsible for administering Projects and activities funded by the Corporation. In awarding contracts in the name of the City to

implement a Project or activity funded by the Corporation, the City will award, supervise, and administer the contracts following the same State laws and City policies used to award, supervise, and administer contracts funded by the City. In awarding contracts in the name of the Corporation, the City will award, supervise, and administer the contracts following the same State laws and City policies used to award, supervise, and administer contracts funded by the City, unless otherwise provided by these bylaws.

**5.04. Billing and Payment.** The City will bill and the Corporation will pay for the costs for the Project or activity as those costs are billed to or become payable by the City. The City will not bill the Corporation for any Project or activity in excess of the amount approved by the Board in the funding resolution.

**5.05. Funding for Promotional Activities.** The Corporation may spend no more than ten percent of its annual revenues for promotional activities.

## **ARTICLE VI. FINANCE**

**6.01. Fiscal Year.** The Corporation's fiscal year is the same as the City's fiscal year.

**6.02. Administration of Funds.** The City, acting through the treasurer, will administer the Corporation's accounts, revenues, expenditures, deposits, investments, and funds in accordance with these bylaws and the laws, regulations, and policies applicable to City funds. The treasurer will, as requested by the president or the Board, report to the Board on the financial condition of the Corporation.

**6.03. Investments.** For all financial matters, including the investment of the Corporation's funds, the Corporation is considered a component unit of the City. The City Council has, to the full extent allowed by law, including the Public Funds Investment Act, complete control over the investment of the Corporation's funds. The investment policies and procedures adopted by the City Council for City funds apply to the Corporation's funds.

**6.04. Audits.** The City will cause the books, records and accounts of the Corporation to be audited by an independent certified accounting firm at least once each fiscal year as a component unit of the City. The annual audit of the Corporation, as a component unit of the City, will be submitted to the Board for its review.

**6.05 Budget.** Prior to the beginning of each fiscal year of the Corporation, the Board will adopt a proposed budget of expected revenues and expenditures for the next fiscal year. The adopted budget and any amendment to the budget are not effective until approved by the City Council.

**6.06. Contracts and Purchases.** To be effective, the Board must approve any contract, funding resolution, purchase order, or other documents or action that provides for the expenditure of corporate funds in an amount that exceeds the amount the general manager is authorized to approve. The Board or general manager acting within their respective authority, may contract directly for goods or services in the name of the Corporation using such policies and procedures as may be available to the Corporation under State law without regard to City policies and procedures if, in the particular circumstance, the Board or General manager determines that the best interests of the Corporation so require. In the event that such a determination is made by the general manager, the general manager shall report such determination to the Board and shall request the Board's ratification thereof.

**6.07. Conflicts of Interest.** In transactions relating to the Corporation, directors will follow and are bound

by the requirements and limitations of Chapter 171 of the Local Government Code, as amended, and the City's Rules of Ethical Conduct.

**6.08. Bonds.** Any bonds issued by the Corporation will not be issued until approved by the City Council.

## **ARTICLE VII. CITY SUPPORT SERVICES.**

**7.01. Supplies and Facilities.** The City will provide supplies, materials, and facilities to the Corporation, including office space, meeting rooms, and office, telephone and communications equipment, and stationery as requested or needed by the Corporation in its day-to-day activities.

**7.02. Administrative Services.** The City will provide general administrative services to support the operations of Corporation, including the services of the general manager, treasurer, and secretary, as specified in the bylaws. The administrative services include arranging meetings, posting agendas, preparing documents, maintaining records, administering contracts, and providing similar administrative services required for the Corporation.

**7.03. Financial and Legal Services.** The City will provide financial services to the Corporation as specified in these bylaws or as required by law. The City will provide general legal services to the Corporation, including advice, the review and preparation of resolutions, contracts, and other legal documents or records for the Corporation.

**7.04. Economic Development Employees.** The City will hire and retain one or more employees to promote economic development activities or opportunities in support of the operations of the Corporation.

### **7.05. City Compensation for Support Services.**

(a) The City will present to the Board for approval in the Corporation's budget the City's estimated annual cost for the City to provide all support services to the Corporation. The Corporation will pay the costs quarterly to the City based on the annual costs approved in the Corporation's budget.

(b) During the Corporation's budget year, the City and Corporation may agree that the City will provide and the Corporation will budget and pay for additional support services not anticipated as part of the annual budget estimate previously submitted by the City and approved by the Corporation.

## **ARTICLE VIII. INDEMNIFICATION AND LIABILITY**

**8.01. Corporation to Indemnify.** As provided in the Act, the Corporation may indemnify any director or officer or former director or officer of the Corporation for expenses and costs (including attorney's fees) actually and necessarily incurred by the officer or director in connection with any claim asserted against the officer or director by reason of the person being or having been a director or officer, except for matters in which officer or director is guilty of negligence or misconduct in respect of the matter in which indemnity is sought.

**8.02. Liability Coverage.** The City or Corporation will provide liability coverage by insurance policies, self-funded coverage, or coverage provided under an interlocal agreement with other political subdivisions, on behalf of any person who is or was a director, officer, or employee of the Corporation to insure the person against any liability asserted against the person by reason of the person being or having been a director, officer, or employee of the Corporation.